

Relative to the Municipal Police Employees' Retirement System (MPERS) and the Municipal Employees' Retirement System (MERS).

Municipal Employees

Existing law (Act No. 356 of 1954 now R.S. 11:1731 et seq.) established MERS, whose membership is composed of all persons actively employed on a permanent basis for at least 35 hours per week by a participating incorporated city, town, or village.

Existing law (Act No. 788 of 1978 now R.S. 11:1752(C)) provides that any member of MERS who becomes eligible for membership in any other retirement system covering the same employment may elect to remain a member of MERS in lieu of membership in the other system, by filing a notice in writing with the MERS board of trustees within 90 days of becoming eligible, and that such election is irrevocable.

Municipal Police

Prior law (Act No. 189 of 1973) established MPERS, whose membership was composed of all full-time police officers, empowered to make arrests, employed by a municipality of the state and engaged in law enforcement, or an elected chief of police who earns at least \$100/month, and system employees.

Existing law (Act No. 605 of 1986) retained prior law but added secretaries to appointed or elected chiefs of police to the MPERS membership; and further provided that any person who is a member of MPERS by reason of being a secretary to a chief of police shall only be eligible to purchase credit in MPERS for prior service in another system (i.e., MERS) upon payment of an amount which, on an actuarial basis, totally offsets the increase in accrued liability to MPERS resulting from receipt of the credit.

Transfers

Existing law provides that any person who has been a member of a public retirement system for at least six months and who has credit in any other such system shall have the option of transferring all of his credit from every such other system to the system to which he is currently contributing. Existing law provides that, if the funds transferred are less than the actuarial cost of the service transferred, the person transferring shall pay the difference plus interest or, in lieu of paying the difference, the person may be granted an amount of credit which is based on the amount of funds actually transferred.

New law expressly recognizes that on and before 8/29/96, all secretaries of appointed or elected chiefs of police were members of MERS, and that Act No. 605 of 1986 (eff. 8/30/86), caused such secretaries to become eligible for MPERS membership; and that, because of such eligibility, each covered secretary had 90 days to either provide written notice to remain in MERS or transfer to MPERS. New law expressly recognizes that Act No. 605 also allowed covered secretaries to transfer their service credit from MERS to MPERS, but only upon first paying the actuarial cost of the transaction.

New law expressly recognizes that some secretaries believed, in good faith, that they could remain in MERS without taking any action to affirm that option; and, therefore, some remained enrolled in MERS, without providing the requisite 90-day notice, although they should have been transferred to MPERS; and that the failure to transfer such secretaries may lead to the

eventual disqualification of membership in MERS and subsequent enrollment in MPERS; and that such enrollment may deprive each such secretary of the most efficient use of service credit in either MERS or MPERS.

New law provides that any secretary to an appointed or elected chief of police who remained enrolled in MERS after the enactment of Act No. 605 of the 1986 R.S., but without submitting the required 90-day written notice, is deemed to have provided such notice. New law further provides that any such secretary shall have the option of remaining a member of MERS or transferring membership and credit to MPERS, but any such transfer is subject to existing law governing transfers.

Effective August 15, 1999.

(Adds R.S. 11:166)